

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY	Rumania	REPORT	<input type="text"/>	25X1
SUBJECT	Rumanian Budget for Public Health	DATE DISTR.	30 July 1954	
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		REFERENCES		

This is UNEVALUATED

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THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

General Allotment of Budgets

1. Funds for all Rumanian Ministries are allotted by the Ministry of Finance in conformity with a set of regulations which source believes is covered by twenty-four Articles, each of which refers to a particular class of expenditure and under each of which there is a separate sub-paragraph for each Ministry.
2. The budget for each Ministry must first be approved by the State Planning Commission, to which estimates of expenditure must be submitted annually between July and October. Approval is then given by the Commission to the Ministry of Finance, who in turn supply the funds to the various Ministries.

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- 2 -

25X1

These funds are allocated quarterly. It frequently happens that owing to various factors such as a shortage of building materials and labor, these quarterly funds cannot be completely used up. In such cases the balance may not be carried forward into the next quarter but is forfeited.

Budget for the Ministry of Health

3. The Ministry of Health is one of the most favored Rumanian Ministries from a financial point of view and its annual estimates of expenditure entailing Rumanian currency are practically always approved. Those items of expenditure involving use of non-Communist currency for the purchase of such things as microscopes, optical and electrical apparatus, etc., must be specified by the Ministry when applying for the budget allotment. Owing to the shortage of non-Communist currency, most of which is earmarked for industry and other fields considered more vital than Public Health, approval for purchase of these items is frequently granted only for ten to twenty percent of the requirements. As they are not manufactured in Rumania and are seldom, if ever, imported from the USSR, supplies are inadequate.
4. Medicaments generally, including penicillin, are usually either obtained locally or from the Soviet Union, and currency for them is always readily supplied. Source stated that Soviet penicillin is generally regarded by Rumanian medical authorities, including himself, as in no way inferior in quality to the American or British varieties.¹ The standard of packing and make-up is, however, much less attractive. Many Rumanian patients have little faith in Soviet penicillin and therefore frequently ask their doctors to obtain the American product for them. American penicillin is obtainable on the black market at high prices. Source believes that it is smuggled into the country in parcels sent by relatives living abroad. The black marketeers sometimes put Soviet penicillin in containers with American labels on them. The Rumanian authorities are aware of this preference for non-Soviet penicillin and secret directives have been sent to doctors and hospital workers to do all in their power to popularize the Soviet product.

Anti-Epidemic Directorate of Ministry of Health

5. The budget for this Directorate, although representing a separate item in the Ministry's annual estimate, forms part of the total budget of the Ministry of Health. Requests for funds for expenditure in Rumanian currency are always granted as the combating of epidemics is regarded as the most important function of the Ministry.
6. As far as source can remember, the annual budget in Rumanian currency for the Anti-Epidemic Directorate for the two or three years ending in 1952 was between four and six million lei. This was always supplied in cash in quarterly installments and the total amount was used up each quarter. The Directorate had the privilege of receiving cash, as it was needed, for use in emergencies connected with the outbreak of epidemics.
7. Source emphasized that this cash was in addition to amounts for wages, salaries, construction work, etc., allocated to the Directorate out of the general Ministry of Health budget, but he could not supply details of the latter. Most of the cash supplied to the Directorate was used for the purchase of equipment and medicaments and a small part of it for medical research.

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- 3 -



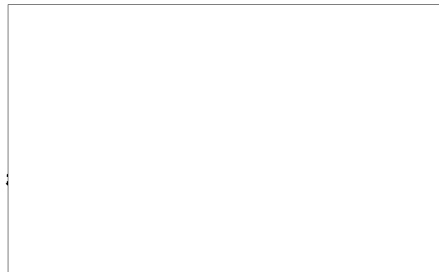
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Medical Research

8. Large scale medical research in Rumania is carried out chiefly by the Academia Romana, which is not subordinate to the Ministry of Health and is allotted a separate budget in a similar way to those for the Ministries in general.
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the Academia's budget

the Rumanian currency for it was always adequate; indeed, the Academia often failed to spend the full amount allotted owing to difficulty in obtaining Rumanian manufactured equipment.
9. The Anti-Epidemic Directorate carried out a small amount of medical research in conjunction with the Cantacuzino Institute. The latter received most of their funds for research work from the sale of medicaments, etc., which they manufactured in moderate quantities, and from the Academia Romana. Research work was under the jurisdiction of the Scientific Council of the Ministry of Health.
10. Source gave as his opinion that there is little or no Soviet control over the finances of the Ministry of Health, Academia Romana or Cantacuzino Institute..
1. Comment: According to other sources Soviet penicillin crystallizes unless it is stored at very low temperatures. The penicillin made in other countries can be used regardless of temperature conditions.
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